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8 UNITED STATES DISTRICT COURT
9 SOUTHERN DISTRICT OF CALIFORNIA

10 A WALL STREET FUND I, LTD., a
11 Florida limited partnership,

12 Plaintiff,

13 v.

14 NEW WORLD CAPITAL CURRENCY
15 FUND, L.P., a Delaware limited
16 partnership, et. al.,

17 Defendants.

Civil No.08cv1042 JAH (JMA)

**ORDER FOR PRELIMINARY
INJUNCTION**

18 Plaintiff filed an *ex parte* motion for temporary restraining order on July 3, 2008.
19 The Court granted the motion and set the order to show cause hearing for July 11, 2008.
20 Defendant Duran filed a motion to dismiss and a response to the order to show cause on
21 the preliminary injunction *nunc pro tunc* to July 11, 2008.¹ Plaintiff filed a reply in support
22 of the preliminary injunction, which included argument opposing Defendant's motion to
dismiss on July 10, 2008.

23 A hearing was held on July 11, 2008. Eric Michelman appeared on behalf of
24 Plaintiff. Defendant Duran appeared with counsel Clinton Marrs. No other Defendants
25 appeared or otherwise responded to the motion. After hearing oral argument and
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27 ¹Defendant was directed to file a response on or before July 9, 2008. Although the Court did not
28 receive the document until July 11, 2008, Defendant indicated he sent the response via overnight delivery
to the Clerk's office. Additionally, Plaintiff's reply which responds to the arguments in Defendant's motion
indicates the document was served on July 9, 2008 as directed.

1 providing the parties until July 14, 2008 to file additional briefing on the pending issues.
2 Plaintiff filed a surreply and Defendant lodged his reply on July 14, 2008. The Court has
3 issued an order denying Defendant Duran's motion to dismiss upon finding its assertion
4 of personal jurisdiction over Defendant is proper.

5 Defendant Duran claims the relief ordered in the temporary restraining order and
6 presumptively in any resulting preliminary injunction is overbroad because it precludes
7 Defendant from trading in the course of and for the benefit of his employer, and for
8 trading on his own accounts, particularly where the funds allegedly dissipated cannot be
9 traced to any other fund or activity managed or traded by Duran.

10 Plaintiff maintains the scope of the proposed injunction will maintain the status
11 quo and prevent losses to its funds if any remain. Plaintiff argues it is not presently known
12 where the \$750,000 it invested is located and there is no way to determine if the funds
13 Defendant wishes to trade for his personal account or on behalf of his employer are funds
14 traceable to Plaintiff. Plaintiff asserts allowing Duran to engage in any transactions will
15 make tracing of the funds more complex or allow the funds to land in the hands of a bona
16 fide purchaser. Plaintiff seeks issuance of the injunction without modification.

17 After careful consideration of the memoranda, declarations, relevant exhibits, and
18 oral argument of counsel at the hearing, the Court finds serious questions going to the
19 merits of Plaintiff's cause of action exist and the balance of hardships tip sharply in
20 Plaintiff's favor. The Court further finds Defendants' claim of insolvency may prevent
21 Plaintiff from collecting on a money judgment which creates a threat of irreparable injury.

22 However, the Court finds good cause has been demonstrated to permit Defendant to
23 continue to engage in the duties required by his current employment relationship and the
24 restraints set forth in the temporary restraining order will be modified accordingly, in this
25 preliminary injunction.

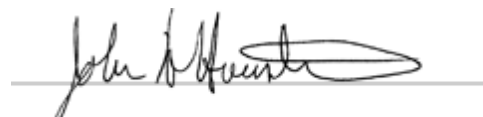
26 Accordingly, IT IS HEREBY ORDERED Defendants, their agents, partners,
27 managers, employees, assignees, successors, representatives, attorneys and all persons and
28 entities acting under, or in concert with, or on behalf of any defendant, or subject to the

1 direct or indirect control of all or any of defendant are hereby restrained and enjoined
2 from taking any of the following action:

3 (I) investing or trading any funds and investments including, but not limited
4 to, cash, securities, bonds, notes, commodities, derivatives, exchange traded
5 funds, real estate and currency, except for selling such investments solely for
6 U.S. Dollars; (ii) employing or contracting with Gregory Duran, or making
7 any payments to or on behalf of (a) Gregory Duran, or (b) any relative of
8 Gregory Duran, or (c) any entity which is directly or indirectly controlled by,
9 Gregory Duran, except that Defendant Gregory Duran may conduct trades
10 and related affairs in the course of his current employment relationship for
11 the benefit of his current employer, and may receive income or income
12 related payments consistent with his current employment relationship; and
13 (iii) dissipating, and alienating any funds or investments in any manner,
14 including transferring any funds and investments beyond the jurisdiction of
15 this Court.

16 IT IS FURTHER ORDERED that Plaintiff shall post a security in the amount of
17 \$50,000 pursuant to Federal Rule of Civil Procedure 65(c) or provide notice of posting the
18 security as previously directed by this Court on or before **July 21, 2008**.

19 DATED: July 18, 2008

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21 JOHN A. HOUSTON
22 United States District Judge
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